

OBEY: "DONUT HOLE" CHECKS IN MAIL TO THOUSANDS OF AREA SENIORS

Health Reform Law to Provide \$250 Checks to Nearly 10,000 7th District Seniors Over Next Several Months

Washington, D.C. – Thanks to the new health reform law, Medicare has begun mailing out one-time, tax-free \$250 checks to tens of thousands of seniors who fall in the donut hole coverage gap in 2010. Seventh District Congressman Dave Obey (D-WI) called the checks the first of many provisions in health reform that will improve Medicare for seniors.

"I have heard from hundreds of people from all over the 7th District about the need to fill the donut hole, and we were finally able to do it in the health reform bill," Obey said. "This check is the first step, a down payment, on reducing prescription drug costs for seniors and eventually closing the donut hole altogether."

The Wausau Democrat said that beginning in January 2011, seniors in the donut hole can expect to receive a 50% discount on brand name drugs, and by 2020, the donut hole will be completely closed.

The 'donut hole' coverage gap is the period in the prescription drug benefit (once their prescription drug costs exceed \$2,830) in which the beneficiary pays 100 percent of the cost of their drugs until they hit the catastrophic coverage threshold.

"You don't need to go anywhere; you don't need to call anyone. Once your drug costs for the year hit \$2,830, a one-time check will be automatically mailed to you," Obey said.

Last year, almost 75,000 Medicare beneficiaries in Wisconsin fell in the donut hole and received no extra help to defray the cost of their prescription drugs. Approximately 10,000 of those seniors are in the 7th Congressional District.

Obey pointed out that Congressional Republicans created the donut hole in 2003 in an unpaid for bill that added \$395 billion to the deficit. "The donut hole was outrageous and ridiculous then, and it's outrageous and ridiculous now. Rather than stepping up to fix their mistake, some Congressional Republicans are fighting to repeal health reform, and all of the fixes to Medicare and benefits to seniors that go with it."

Obey said that under the new health reform law, seniors will also benefit from free preventive care services under Medicare beginning in 2011, improved access to doctors, and expanded home and community-based services to keep seniors in their home, instead of nursing homes.

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